

# DOCKET SECTION

UNITED STATES OF AMERICA  
POSTAL RATE COMMISSION  
WASHINGTON, D.C. 20268-0001

RECEIVED

JAN 28 3 35 PM '98

POSTAL RATE COMMISSION  
OFFICE OF THE SECRETARY

Before Commissioners:

Edward J. Gleiman, Chairman;  
George W. Haley, Vice Chairman;  
W.H. "Trey" LeBlanc III; George A. Omas

Postal Rate and Fee Changes

Docket No. R97-1

## NOTICE OF INQUIRY NO. 5 ON RECOGNIZING INTERIM YEAR RESULTS

(January 28, 1998)

The Commission forecasts test year projections by using base year results, adjusted for expected events in the interim period(s) and the test year itself. In its request, the Postal Service projects test year 1998 results starting with base year 1996 experience.

The United States Postal Service 1997 Annual Report has been issued. The Postal Service earned a net income of \$1.264 billion. See Statement of Operations, 1997 Annual Report at 45. When projecting test year results, the Postal Service computed an estimated 1997 net income of \$0.636 billion. See USPS Exh. 9A (Tayman).

1. Should the Commission recognize actual 1997 Postal Service net income in developing rate recommendations in this case? Why, or why not?
2. Participants that contend that the Commission should recognize actual 1997 Postal Service net income in developing rate recommendations are requested to describe one or more methods that would be appropriate for reflecting that information.

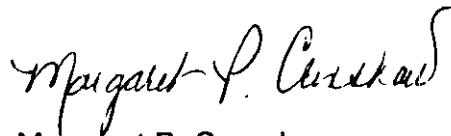
Responses may be provided in the form of legal memoranda or testimony. Responses are to be submitted on or before February 13, 1998.

Testimony submitted in response to this Notice of Inquiry will be subject to oral cross-examination on March 3, 1998.

Participants may file rebuttal testimony on this issue on March 9, 1998, the date established for testimony in rebuttal to the direct presentations of participants other than the Postal Service.

By the Commission:

(S E A L)

A handwritten signature in black ink, appearing to read "Margaret P. Crenshaw". The signature is fluid and cursive, with a large initial "M" and a long, sweeping tail on the "w".

Margaret P. Crenshaw  
Secretary